



**United States Department of Justice
United States Attorney's Office
District of Minnesota**

**B. Todd Jones,
United States Attorney**

**Jeanne F. Cooney
Director of Community Relations
(612) 664-5611
email: jeanne.cooney@usdoj.gov**

News Release

FOR IMMEDIATE RELEASE
Wednesday, January 6, 2010
WWW.USDOJ.GOV/USAO/MN

Elkton man pleads guilty to wire fraud

A 57-year-old man from the small southeastern Minnesota town of Elkton pleaded guilty today in federal court to defrauding others out of hundreds of thousands of dollars under the pretense that the money would be invested in collector vehicles. Appearing before United States District Court Chief Judge Michael J. Davis in Minneapolis, Fred M. Engelhart pleaded guilty to one count of wire fraud in connection to his crime. Engelhart was indicted on November 17, 2009.

In his plea agreement, Engelhart admitted acting as a broker of collector vehicles, receiving money from an investor and representing that the money would be used to purchase a collector vehicle. Instead, however, Engelhart used the money to purchase real estate for his own benefit. Specifically, on March 23, 2007, Engelhart wire transferred \$250,000 to his bank account for that purpose.

Engelhart faces a potential maximum penalty of 20 years in prison for his crime. Judge Davis will determine his sentence at a future date. This case is the result of an investigation by the Internal Revenue Service-Criminal Investigation Division, the U.S. Bureau of Alcohol, Tobacco, Firearms and Explosives, and the Minnesota Financial Crimes Task Force. It is being prosecuted by Assistant U.S. Attorney Ann M. Anaya.